MEMORANDUM FOR: Deputy Director for Support

SUBJECT   : Department of Defense Computer Institute (DODCI)

1. In the interest of conserving your reading time, this report on my attendance at the DODCI Senior Executive Course will be confined to conclusions and recommendations.

2. I believe that all Office Heads and their Deputies in the Support Directorate should have this course or its equivalent. Certainly, no less of an orientation should be required for these officers. I would also strongly recommend that you take this course at some convenient time.

3. The initial step in the development of a system must be the determination by management of what management information it requires. This theme was woven into nearly every presentation. Altogether too often managers delegate this determination to technicians and systems analysts. I am afraid that is what we are doing in allowing a systems analysis group to make these determinations for the Support Directorate. On the other hand, we have at least recognized the responsibility of keeping these determinations out of the hands of the technicians (OCS), but we must go further and face our own responsibilities. You will recall that [   ]

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[   ] was to have given some thought to development of a management reporting system for the Support Directorate offices. Unfortunately, this never got very far.

4. Several speakers stated that "total systems" was no more than a cocktail party expression. No one had ever realized a total system and those that are still attempting to develop this totality are facing enormous problems. According to Mr. John T. Garrity of McKinsey and Company, it is a mistake to try to introduce a total system and that it should be broken up into manageable and separate pieces in order to achieve worthwhile goals. The alternative is to wait for years trying to develop utopia. Mr. Garrity also had a good deal to say about facing the most important issues first and cited as an example the Coca Cola Company, which operates the largest

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fleet of trucks in the world and attempted to manage these trucks through computers, but failed to recognize that the real guts of the Coca Cola business is sales and sales advertising. This was not subjected to computer analysis until many other less important activities had been initiated. I think it might be useful to list Mr. Garrity's main points:

    a. Recognize management improvement as a requirement on its own merits and not expect management improvement to come as a by-product of automatic data processing by computers.

    b. The principal officer must be actively involved and personally willing to be involved in the development of his management information system.

    c. The total management information system should be broken up into its component parts and manageable pieces implemented. These should be measurable and definable. In other words, it is necessary to avoid the dilemma of an air line which attempted to gain maximum utilization of the 100 hours of flying time for stewardesses per month by scheduling on a computer. In attempting to solve this, they were led into problems of training, recruitment, scheduling of airplanes, maintenance, etc. As a result, they embarked on a total systems study which is still going on, but the problem of getting 100 hours of work for 100 hours of pay from the stewardesses has never been resolved.

    d. It is essential that the system to be implemented focus on the important problems, i.e., real gut issues which in one industry may be cost of raw materials and in another it may be advertising. In most Government activities, planning and decision-making are the gut issues. Control information such as we are presently producing on the 501 has a tendency to bog management down and should be avoided. What we are really looking for is performance information and this is sometimes difficult to define. It is, therefore, essential to assess your basic information requirements first rather than look at what is presently being done and trying to extrapolate from that the management information which you can get.

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e. The speed and volume potential of the computer while very impressive should not be the sole focus of the computer's utility. The computer should be looked on as a tool for better information for planning and decision-making.

5. Other important parts of the course had to do with the selection of computers and peripheral equipment such as readouts and input devices. In this connection, it would appear that the Comress Incorporated approach to these questions is a good one. I am attaching a copy of their brochure. In essence, the Comress system uses a computer to evaluate the needs of an organization for computers and describes the job in terms of computer capability. Their final report may be used as a statement of specifications. I recommend that the Executive Director-Comptroller consider Comress, Inc.

6. Finally, the course gave a cursory, although somewhat time-consuming, introduction to the binary and octal numerical systems and their relation to computers, as well as the diagramming and writing of computer programs. I believe that it is essential that managers understand the importance of software if they are to have effective systems for management and data processing.

SIGNED Alan M. Warfield

Alan M. Warfield
Assistant Deputy Director
for Support

Att.

cc: D/TR

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